

EXHIBIT 5

Pages 1-28

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
BEFORE THE HONORABLE WILLIAM H. ALSUP

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
vs.) No. CV-11-00162 WHA
)
SAMSUNG SDI CO. LTD.,)
)
Defendants.) SAN FRANCISCO, CA
) TUESDAY, MAY 17, 2011
) 3:20 p.m.
)

TRANSCRIPT OF PROCEEDINGS

APPEARANCES:

For the Plaintiff:

UNITED STATES DEPARTMENT OF JUSTICE
ANTITRUST DIVISION
SAN FRANCISCO FIELD OFFICE
450 Golden Gate Avenue - Rm. 10-0101
San Francisco, CA 94102
BY: MAY LEE HEYE, ESQ.

For Defendants:

SHEPPARD, MULLIN, RICHTER & HAMPTON, LLP
Four Embarcadero Center- 4th Floor
San Francisco, CA 94111
(415) 434-9100
BY: GARY L. HALLING, ESQ.
and **JAMES L. MCGINNIS, ESQ.**

REPORTED BY: MARGARET "MARGO" GURULE, CCR
Pro Tem Court Reporter - USDC

May 17, 2011

3:20 p.m.

oOo

P R O C E E D I N G S

THE COURT: Welcome. Please be seated.

Just to report the good news that Ed Chen has just been sworn in as the new U.S. District Judge. I was down -- I had the honor to attend that little ceremony.

So we're now ready to go. Let's call the next case.

THE CLERK: Calling Criminal 11-00162, United States vs. Samsung SDI Corporation.

MR. HALLING: Good afternoon, Your Honor. Gary Halling and Jim McGinnis for Samsung SDI.

Also here is our official corporate representative, Mr. Sang Soo Noh. And with him is Mr. Stephen Bong-Han Kim of the Samsung SDI Legal Department.

THE COURT: Okay. Welcome to all of you.

MS. HEYE: May Lee Heye for the United States.

THE COURT: All right. Welcome to you.

MS. HEYE: Thank you.

THE COURT: So what is our plan for the case?

MR. HALLING: Well, Your Honor, we have submitted an amended plea agreement, and we are prepared to enter a plea today.

THE COURT: All right. So we will take the plea, send it out for the presentence report, come back for a sentencing

1 hearing in about 90 days.

2 That's what you want to do?

3 **MR. HALLING:** That's correct, Your Honor.

4 **THE COURT:** All right. Good. So are there any -- let's
5 just go over what the proposed deal is. So Ms. May Lee Heye,
6 right?

7 **MS. HEYE:** Yes, Your Honor.

8 **THE COURT:** All right. Tell me what the deal is here so I
9 can have that in mind as we go through this.

10 **MS. HEYE:** Sure, Your Honor.

11 Samsung SDI's plea agreement is being entered pursuant to
12 Rule 11(c)(1)(C).

13 Samsung SDI agrees to plead guilty to a one count
14 information charging a violation of 15 U.S.C. Section 1 for
15 fixing prices, reducing output, and allocating market shares.
16 It will pay a criminal fine of \$32 million.

17 Would you like me to go through the cooperation
18 provisions?

19 **THE COURT:** Well, there were some things about who you
20 would not prosecute and so forth. So tell me what that is.

21 **MS. HEYE:** Certainly, Your Honor. On page 8 in paragraph
22 12b. there are certain individuals that have been identified in
23 the plea agreement. There are four individuals. Those
24 individuals are carved out of the plea agreement.

25 However, the United States has agreed that it will not

1 file further criminal charges against Samsung SDI or its
2 related entities or current or former employees, excluding the
3 individuals I just referred to for their participation in any
4 conspiracy involving CDTs or CPTs prior to the date of the plea
5 agreement.

6 We have also agreed not to seek restitution pending the
7 civil cases related to this matter, and we have also agreed to
8 recommend that Samsung SDI be given no term of probation.

9 **THE COURT:** That they be given what? That they be given a
10 term of probation?

11 **MS. HEYE:** That they be given no term of probation, Your
12 Honor.

13 **THE COURT:** Well, I mean, we can't put a corporation in
14 jail, so what else is there other than paying a fine?

15 **MS. HEYE:** They pay the fine and the special assessment,
16 Your Honor.

17 **THE COURT:** All right. And these individuals that you
18 have carved out --

19 **MS. HEYE:** Yes, Your Honor.

20 **THE COURT:** -- what will become of them? What is their
21 status going to be?

22 **MS. HEYE:** Their status has not yet been determined, but
23 the government is continuing its investigation. We will handle
24 them individually. They will not be covered by the protections
25 of the plea agreement.

1 **THE COURT:** The maximum fine is how much under the
2 statutes?

3 **MS. HEYE:** I'm sorry?

4 **THE COURT:** The maximum fine is \$100 million, right?

5 **MS. HEYE:** Yes, Your Honor.

6 **THE COURT:** So \$32 million versus \$100 million. Okay. So
7 if the Court were to decide that \$32.5 million is the right
8 fine, then would the defendant have the right to withdraw from
9 the plea agreement?

10 **MS. HEYE:** Yes, they would, Your Honor. This is a (C)
11 deal.

12 **THE COURT:** So I don't know the answer to that. I haven't
13 got a clue what the right answer here is.

14 Tell me the part about restitution.

15 **MS. HEYE:** Your Honor, we -- the United States has agreed
16 not to seek restitution. As you know, there are pending civil
17 cases before Judge Conti, and we have agreed that that is part
18 of the recommended sentence.

19 So as Your Honor has indicated, you would like to accept
20 the guilty plea, get a presentence report, educate yourself on
21 the issues. And at that point, you, I think, indicated that
22 you would give the parties an opportunity to address any other
23 concerns that you had.

24 If you felt that no restitution was appropriate, then
25 obviously we would proceed. If you did not accept that, then

1 we would not have a deal.

2 **THE COURT:** All right. Well, does this agreement call for
3 anybody to give speeches?

4 **MS. HEYE:** It does not, Your Honor.

5 **THE COURT:** Why wouldn't that be a good idea?

6 **MS. HEYE:** Since it's a deal with a corporation, it's just
7 not something we had discussed.

8 **THE COURT:** The corporation could call some of its
9 top-ranking people to go speak to groups and say, "Here's how I
10 almost went to prison."

11 **MS. HEYE:** I guess that is certainly something that we
12 could do. It is not something we negotiated in this instance.

13 **THE COURT:** All right. Well, maybe that's -- I don't know
14 whether that's a good idea or not. But okay. The order of
15 business today is -- and we will save all those other issues of
16 what is the right answer for a future day --

17 **MS. HEYE:** Yes, Your Honor.

18 **THE COURT:** -- and we'll just do the plea here today. So
19 who is going to actually speak for the corporation?

20 **MR. HALLING:** Mr. Sang Soo Noh is the person who has been
21 authorized to speak. He's present. He was authorized by the
22 Board.

23 And attached to the plea agreement is the formal
24 authorization from the Samsung SDI Board of Directors
25 authorizing Mr. Noh to sign the plea agreement and to enter a

1 plea.

2 THE COURT: Okay. All right. So I'll ask him about that.
3 So he's knowledgeable about all of that?

4 MR. HALLING: He is knowledgeable to some extent, that's
5 correct, Your Honor.

6 THE COURT: All right. Well, we will see. So let's ask
7 him -- has the interpreter been sworn in this matter?

8 THE INTERPRETER: Yes, Your Honor.

9 THE COURT: You have already last time?

10 THE INTERPRETER: Yes, Your Honor.

11 THE COURT: Okay. So let's ask Mr. Noh to please stand in
12 the middle and raise your right hand and take an oath to tell
13 the truth.

14 *(Defendant Representative placed under oath.)*

15 MR. NOH: Yes.

16 THE CLERK: Please state your full name for the record.

17 MR. NOH: Sang Soo Noh.

18 THE COURT: All right. Welcome to the Court.
19 How are you today?

20 MR. NOH: I'm fine, Your Honor.

21 THE COURT: Good.

22 All right. How old are you?

23 MR. NOH: I'm 48 years old.

24 THE COURT: How far did you go in school?

25 MR. NOH: I graduated from the university.

1 plea.

2 **THE COURT:** Okay. All right. So I'll ask him about that.
3 So he's knowledgeable about all of that?

4 **MR. HALLING:** He is knowledgeable to some extent, that's
5 correct, Your Honor.

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7 him -- has the interpreter been sworn in this matter?

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11 **THE COURT:** Okay. So let's ask Mr. Noh to please stand in
12 the middle and raise your right hand and take an oath to tell
13 the truth.

14 *(Defendant Representative placed under oath.)*

15 **MR. NOH:** Yes.

16 **THE CLERK:** Please state your full name for the record.

17 **MR. NOH:** Sang Soo Noh.

18 **THE COURT:** All right. Welcome to the Court.

19 How are you today?

20 **MR. NOH:** I'm fine, Your Honor.

21 **THE COURT:** Good.

22 All right. How old are you?

23 **MR. NOH:** I'm 48 years old.

24 **THE COURT:** How far did you go in school?

25 **MR. NOH:** I graduated from the university.

1 **THE COURT:** Okay. And in what country was that?

2 **MR. NOH:** In Korea.

3 **THE COURT:** Okay. And what kind of degree do you have?

4 **MR. NOH:** B.A.

5 **THE COURT:** Okay. And how do you make your living?

6 **MR. NOH:** I'm a vice-president of the financial
7 department.

8 **THE COURT:** Of what?

9 **MR. NOH:** Financial division.

10 **THE COURT:** Of Samsung SDI Company?

11 **MR. NOH:** Yes, Your Honor.

12 **THE COURT:** Okay. And are you thinking clearly today?

13 **MR. NOH:** Yes, Your Honor.

14 **THE COURT:** Are under the influence of any medicine,
15 alcohol or narcotic?

16 **MR. NOH:** No, Your Honor.

17 **THE COURT:** Are you mentally ill or being treated for any
18 mental illness?

19 **MR. NOH:** No, I am not.

20 **THE COURT:** Okay. And are you an officer of Samsung SDI
21 Company, Limited?

22 **MR. NOH:** Yes, I am.

23 **THE COURT:** And again, tell us what officer you are.

24 **MR. NOH:** Vice-president of finance.

25 **THE COURT:** Okay. And is the Board of Directors of

1 Samsung SDI Company, Limited, authorized to authorize you to
2 enter into a plea of guilty to the charge brought against
3 Samsung SDI Company in this case?

4 MR. NOH: Yes.

5 THE COURT: And has the board of directors, in fact,
6 authorized you to enter such a plea?

7 MR. NOH: Yes.

8 THE COURT: And have you -- do you, yourself, understand
9 what the charges are in this case against Samsung SDI Company,
10 Limited?

11 MR. NOH: Yes, I'm aware of that.

12 THE COURT: All right. And has -- have you and others in
13 the company discussed with counsel, meaning the attorneys, all
14 of the ways to defend against this case?

15 MR. NOH: Yes.

16 THE COURT: And are the officers and directors of Samsung
17 SDI Company, Limited, fully satisfied with the advice of
18 counsel that they have received in this case?

19 MR. NOH: Yes.

20 THE COURT: Is Samsung SDI Company, Limited, financially
21 able to pay the fine that is agreed upon in your amended plea
22 agreement?

23 MR. NOH: Yes.

24 THE COURT: All right. I understand that your willingness
25 to plead guilty, meaning Samsung, SDI Company, Limited's,

1 willingness to plead guilty is a result of discussions between
2 your lawyers and the government lawyers that led up to this
3 amended plea agreement. Is that true?

4 MR. NOH: Yes.

5 THE COURT: All right. And did you -- did they read this
6 agreement to you in Korean?

7 MR. NOH: Yes.

8 THE COURT: Did you understand it?

9 MR. NOH: Yes, I did.

10 THE COURT: Did you discuss it with your attorneys?

11 MR. NOH: Yes, we did.

12 THE COURT: And does this agreement contain all of your
13 complete agreement with the U.S. Government?

14 MR. NOH: Yes.

15 THE COURT: All right. So let's see, this is a Section 1
16 case. So I guess the elements of the count are not summarized
17 here anywhere, are they? I think I know them.

18 MS. HEYE: I'm happy to read them, Your Honor, if you
19 would like.

20 THE COURT: Let's just see. Do you have the information
21 with you?

22 MS. HEYE: Um-hum.

23 THE COURT: Could I see that?

24 MS. HEYE: Yes.

25 THE COURT: All right. Under this agreement, your --

1 Samsung SDI Company, Limited, would be pleading guilty to a
2 count of violating Section 1 of the Sherman Act. And basically
3 that is it makes illegal conspiring to -- conspiring with some
4 other company to restrain trade in foreign or domestic
5 commerce. And the particular things that are charged in this
6 case basically go to what? Tell me -- tell us what they are in
7 summary form, you, the government, please --

8 MS. HEYE: Well, the elements of the Sherman --

9 THE COURT: -- Ms. Heye.

10 MS. HEYE: Sure. The elements of the Sherman Act Section
11 1 are first that the defendant entered into a conspiracy. The
12 conspiracy was an unreasonable restraint of trade. And the
13 conspiracy affected interstate commerce in the United States.

14 THE COURT: All right. And what, was it price fixing?

15 MS. HEYE: It was price -- I am prepared to read a factual
16 basis, Your Honor, if that would be helpful.

17 THE COURT: Well, how long is that?

18 MS. HEYE: One page.

19 THE COURT: Okay. Why don't you go ahead and do that, and
20 then I'll -- is that the same one that's in the agreement?

21 MS. HEYE: Yes, Your Honor.

22 THE COURT: Okay. I'm going to come to that.

23 MS. HEYE: Okay.

24 THE COURT: So you don't have to do that.

25 MS. HEYE: Okay. But it is price-fixing, reduction of

1 output, and market share allegations.

2 **THE COURT:** Okay. So those are the things that the
3 government is accusing Samsung of agreeing with some other
4 company to restrain trade, and that affects the commerce in the
5 United States. That's the basic claim, and that breaks down
6 into price-fixing and restricting output. What was the third
7 thing?

8 **MS. HEYE:** Market share allegations.

9 **THE COURT:** Market share allegations, all of which are per
10 se violations under Section 1.

11 Do you understand that?

12 **MR. NOH:** Yes.

13 **THE COURT:** Okay. Now -- so if you were to plead guilty
14 to that -- and we will come to that in a minute -- under the
15 statute, the individual people go to prison when they do this.
16 But in this case, we don't have individual people. It's a
17 company, and you can't put a company in prison. So they just
18 get to pay a fine.

19 And the statute authorizes a fine up to \$100 million, plus
20 there is a special assessment of \$100, right?

21 **MS. HEYE:** It's actually \$400, Your Honor.

22 **THE COURT:** \$400. So \$400 is mandatory. And then there
23 is a fine of anywhere from zero to \$100 million.

24 Do you understand that part?

25 **MR. NOH:** Yes.

1 **THE COURT:** All right. In addition, even though the
2 government has said they won't seek it, the Court could require
3 restitution. I'll come to the affect of your agreement on that
4 in a minute.

5 But under the statute, restitution is a possibility. Do
6 you understand that part?

7 **MR. NOH:** Yes.

8 **THE COURT:** All right. And then is there supervised
9 release under the statute?

10 **MS. HEYE:** A term of probation is also part of the
11 maximum -- potential maximum penalty.

12 **THE COURT:** And that would be -- what does the statute
13 authorize?

14 **MS. HEYE:** It is at least one year but no more than five
15 years.

16 **THE COURT:** Okay. So also the judge could impose -- must
17 impose, it sounds like, one year, right?

18 **MS. HEYE:** Under a maximum penalty.

19 **THE COURT:** And then up to five years of probation in
20 addition to the fine.

21 Do you understand?

22 **MR. NOH:** Yes.

23 **THE COURT:** Good. All right. So this is also a felony
24 that Samsung will be pleading guilty to.

25 Do you understand that part?

1 **MR. NOH:** Yes.

2 **THE COURT:** So I guess it's fair to say -- and tell me if
3 I'm wrong -- but this plea could be entered in the -- with
4 collateral consequences in the civil litigation, right?
5 Couldn't they just put this in evidence as the evidence
6 directly against Samsung?

7 **MR. HALLING:** There is a provision, Your Honor, of the
8 Clayton Act that addresses the affect of a conviction. And so
9 the answer -- the short answer is yes, it's pursuant to the
10 terms of a particular statute. It's part of the Clayton Act.

11 **THE COURT:** Okay. So do you understand that at least
12 there is a risk that, by pleading guilty, Samsung will be
13 prejudicing itself in the civil litigation by making it easier
14 to prove that Samsung engaged in a conspiracy.

15 Do you understand?

16 **MR. NOH:** Yes.

17 **THE COURT:** Okay. All right. And then let me go through
18 what the procedure we would follow would be. After you plead
19 guilty, assuming you do, then I would refer Samsung to the
20 probation department, and a presentence report would be
21 prepared. That's going to take us about 90 days. Then we come
22 back here in about 90 days and have a sentencing hearing.

23 And at the sentencing hearing, the purpose is to decide on
24 the lowest, in this case, fine, that would carry out the
25 sentencing objectives of Congress such as the need for

1 deterrence, the need to reflect the seriousness of the offense
2 and so forth.

3 You would have the right to be heard. The lawyers would
4 have the right to be heard. And then the judge would have to
5 make a decision on what is the right answer. And the
6 presentence report is a very important document in that
7 process, so you would participate in its preparation. You
8 would have the right to comment on its accuracy and to make
9 objections to it if you thought it was inaccurate. We would
10 then have that hearing.

11 I don't know the answer. It could be that I think
12 \$32 million is too much. It could be that I think \$32 million
13 is too little. It could be that I think \$32 million is close
14 enough and let's just go with that. I don't know. That's why
15 we have the hearing.

16 But here is the good part for you: If I or the judge
17 decides that it should be more than \$32 million, then fine,
18 then Samsung has the option to either take the higher amount.
19 I don't know what it could be, but whatever it is, take the
20 higher fine and just pay it, or say, "No, that's not right, we
21 don't like that deal," and withdraw your guilty plea, which you
22 would have the right to do under this agreement, and take your
23 chances at trial.

24 That would be your right, to do either one of those two.
25 So you could either take the higher amount and pay that or ask

1 to withdraw your guilty plea. That would, of course, be
2 granted. Then you would go to trial and you would take your
3 chances at trial.

4 Do you understand?

5 **MR. NOH:** Yes.

6 **THE COURT:** Okay. Good.

7 All right. Now, again, I want to emphasize, I don't have
8 any idea what the right answer here is. And we just have to
9 wait and see, go through the process and find out.

10 But you do have an important measure of protection, given
11 that this is a plea agreement that your lawyers have gotten you
12 this additional advantage of being able to withdraw the plea of
13 guilty if it turns out that you don't like -- if the sentence
14 is higher than \$32 million.

15 On the other hand, if I were to sentence Samsung to pay
16 the \$32 million, you would be stuck with that, meaning Samsung
17 would be stuck with its guilty plea and could not get out of
18 that.

19 Do you understand that?

20 **MR. NOH:** Yes. Yes, I do.

21 **THE COURT:** All right. I want to change the subject for a
22 minute and explain the rights to go to trial.

23 Has Samsung fully discussed with counsel its right to go
24 to trial and its right to make the government prove the case
25 against it?

1 **MR. NOH:** Yes, they did.

2 **THE COURT:** Let's go over what those rights are. Under
3 our system, no matter how guilty Samsung is, you have the
4 perfect right to say to the government, "Okay, prove it," and
5 make the government prove the case against you.

6 And sometimes even though somebody is guilty, the
7 government just doesn't have the proof to prove it.

8 So that is a very important right, and you would be giving
9 that right up.

10 Under our system, the burden of proof is always on -- the
11 burden of proof is always on the government. It's never, never
12 on the defendant, and the government has to call witnesses.

13 Samsung has a right to be here with its representatives,
14 to see and hear all of the testimony offered against it, and
15 work with the lawyers for the best possible cross-examination
16 of all of those witnesses.

17 The government, after it rests its case, Samsung would
18 have a right to put on a defense. There is no corporation
19 fifth Amendment, is there? I don't think so.

20 **MS. HEYE:** I don't believe so.

21 **THE COURT:** All right. So Samsung would have a right to
22 put on a defense, call witnesses on its behalf, and we would
23 subpoena those witnesses as necessary to make them show up and
24 testify.

25 We would obligate them to tell the truth by putting them

1 under oath.

2 Now, when all of the evidence was before the jury, the
3 jury would have to decide whether the government has carried
4 its burden of proof. That means all 12 people on the jury
5 would have to agree that the government had proven beyond a
6 reasonable doubt each and every element of the offense. That's
7 Section 1 of the Sherman Act.

8 And if the jury said yes, the government had done that,
9 then the jury would be obligated to return a guilty verdict.
10 On the other hand, if even one member of the 12-person jury
11 thought that the government had fallen short on even one
12 element of its proof, that jury would not be allowed to convict
13 Samsung.

14 Do you understand that?

15 **MR. NOH:** Yes. Yes, I understand.

16 **THE COURT:** Very well. Then after -- if Samsung was
17 convicted, in addition, Samsung would have the right to appeal
18 both the verdict, as well as the amount of any fine or terms of
19 probation that were placed upon it.

20 Do you understand? Or restitution for that matter.

21 Do you understand?

22 **MR. NOH:** Yes, I'm aware of that.

23 **THE COURT:** All right. Now, here's the deal: If you
24 plead guilty today, if Samsung pleads guilty today, then
25 Samsung will be giving up all of those rights.

1 Do you understand that?

2 **MR. NOH:** Yes, I understand.

3 **THE COURT:** All right. And does Samsung want to do that
4 freely and voluntarily?

5 **MR. NOH:** Yes.

6 **THE COURT:** Is anyone putting pressure on Samsung to plead
7 guilty?

8 **MR. NOH:** No.

9 **THE COURT:** All right. So let's see what it is that
10 Samsung did wrong. I'm going to read from your agreement here,
11 and then I'll paraphrase. I won't get it exactly right. But
12 I'm taking it out of this agreement, so you tell me if it's
13 right.

14 From as early as January of '97 until as late as March of
15 '06, Samsung SDI Company, Limited, was a corporation organized
16 and existing under the laws of Korea with its principal place
17 of business in Kiheung, Republic of Korea. True?

18 **MR. NOH:** That is correct, Your Honor.

19 **THE COURT:** During that relative -- during that period,
20 Samsung SDI Company, Limited, was a producer of CDTs.
21 Cathode -- what does that stand for?

22 **MS. HEYE:** Color display tubes, Your Honor.

23 **THE COURT:** Color display tubes. All right. It was a
24 producer of color display tubes; was engaged in the sale of
25 color display tubes in the USA and elsewhere; and employed over

1 5,000 individuals. All true?

2 MR. NOH: Yes, Your Honor.

3 THE COURT: CDTs, meaning color display tubes, are a type
4 of cathode ray tube. True?

5 MR. NOH: Yes. Yes, true.

6 THE COURT: Cathode ray tubes consist of evacuated glass
7 envelopes that contain an electron gun and a phosphorescent
8 screen. True?

9 MR. NOH: Yes.

10 THE COURT: When electrons strike the screen, light is
11 emitted, creating an image on the screen. True?

12 MR. NOH: Yes.

13 THE COURT: CDTs are the specialized cathode ray tubes
14 manufactured for use in computer monitors and other products
15 with similar technological requirements.

16 CDTs are distinguished from another type of specialized
17 cathode ray tubes, while color picture tubes, CPTs, which are
18 manufactured for use in televisions. True?

19 MR. NOH: Yes.

20 THE COURT: During this period, which, again, is '97 to
21 '06, Samsung SDI Company, Limited, through its officers and
22 employees, including high-level personnel, participated in a
23 conspiracy among major CDT producers, the primary purpose of
24 which was to fix prices, reduce output and allocate market
25 shares of CDTs sold in the USA and elsewhere. True?

1 **MR. NOH:** Yes.

2 **THE COURT:** In furtherance of the conspiracy, the
3 defendant, through its officers and employees, engaged in
4 discussions and attended meetings with representatives of other
5 major CDT producers.

6 During these discussions and meetings, agreements were
7 reached to fix prices, reduce output, and allocate market
8 shares of CDTs to be sold in the USA and elsewhere. True?

9 **MR. NOH:** Yeah.

10 **THE COURT:** During the relevant period, meaning '97 to
11 '06, CDTs sold by one or more of the conspirator firms and
12 equipment and supplies necessary to the production and
13 distribution of CDTs, as well as payment for CDTs, traveled in
14 interstate and foreign commerce. True?

15 **MR. NOH:** Yes.

16 **THE COURT:** The business activities of the defendant,
17 meaning Samsung SDI Company, Limited, and its co-conspirators,
18 in connection with the production and sale of CDTs that were
19 subjects of this conspiracy, were within the flow-up and
20 substantially affected interstate and foreign trade-in
21 commerce. True?

22 **MR. NOH:** Yes.

23 **THE COURT:** During the relevant period, the defendant CDT
24 sales directly affected by the conspiracy to customers in the
25 USA totaled approximately \$89 million. True?

1 **MR. NOH:** Yes, true.

2 **THE COURT:** Finally, acts in furtherance of this
3 conspiracy were carried out within the Northern District of
4 California. CDTs that were the subject of this conspiracy were
5 transported by one or more of the co-conspirators through this
6 district. True?

7 **MR. NOH:** Yes.

8 **THE COURT:** All right. I just want to go back to one
9 other thing. It looks like in your agreement that the maximum
10 fine is the greatest of \$100 million or twice the gross
11 pecuniary gain the conspirators derived from the crime or twice
12 the gross pecuniary loss caused to the victims of the crime by
13 the conspirators.

14 Have I said that right?

15 **MS. HEYE:** Yes, Your Honor.

16 **THE COURT:** Do you understand that part?

17 **MR. NOH:** Yes.

18 **THE COURT:** Okay. So I ask Ms. Heye -- I'm sorry if I --
19 am I saying it right?

20 **MS. HEYE:** You're getting it, um-hum.

21 **THE COURT:** -- Ms. Heye if I need to ask anything more or
22 anything more that should be put on the record?

23 **MS. HEYE:** That's sufficient, Your Honor.

24 I would like to go through what the defendant's
25 cooperation obligations were in response to your earlier

1 question about the material terms.

2 **THE COURT:** Oh, yes, the cooperation.

3 Yes, please do that, Ms. Heye.

4 **MS. HEYE:** Sure. The defendant agrees to provide full
5 cooperation with the government's ongoing criminal
6 investigation into anticompetitive activity in the CDT and CPT
7 industry, including providing documents we request from both
8 overseas and the United States.

9 This cooperation also includes using Samsung SDI's best
10 efforts to secure the ongoing, full and truthful corporation of
11 all current and former officers, employees and directors of the
12 company, except the individuals who have been carved out of
13 both the obligations and protections of the plea agreement.

14 **THE COURT:** All right. So do you understand that part?

15 **MR. NOH:** Yes. Yes, I do.

16 **THE COURT:** All right. And if there is a violation of
17 that, what does the government get to do?

18 **MS. HEYE:** Your Honor, then the government may seek to
19 void the plea agreement.

20 **THE COURT:** Void the plea or void the -- in other words,
21 what happens to the guilty plea if you seek to do that?

22 **MS. HEYE:** If they violate the plea agreement, then they
23 shall be subject to prosecution for any federal crime,
24 including the substantive offenses relating to the
25 investigation resulting in this plea agreement.

1 **THE COURT:** Is that right?

2 **MR. HALLING:** Your Honor, if the terms are violated, the
3 agreement can be voided and the government can prosecute,
4 correct?

5 **THE COURT:** But does the guilty plea go away at that
6 point?

7 **MR. HALLING:** I believe so.

8 **THE COURT:** Where does it say that?

9 **MS. HEYE:** Well, because of the -- because the plea
10 agreement -- because we're voiding our obligation under this
11 plea agreement, I think that then the company would not be held
12 to the plea agreement anymore.

13 **MR. HALLING:** It would be as though the plea agreement
14 never occurred.

15 **THE COURT:** All right. Paragraph 20 covers this?

16 **MS. HEYE:** Um-hum.

17 **THE COURT:** Let me just look at it.

18 Okay. Anything more that needs to be said on that
19 subject?

20 **MS. HEYE:** No, Your Honor.

21 **THE COURT:** All right. Is there anything the defense
22 counsel wish for me to go over?

23 **MR. HALLING:** No, Your Honor.

24 **THE COURT:** So, Mr. Sang Soo Noh, any questions you have?

25 **MR. NOH:** No, I do not, Your Honor.

1 **THE COURT:** Okay. All right. And do you wish to go
2 forward now, or do you want more time to think about it?

3 **MR. NOH:** I would like to go ahead now, Your Honor.

4 **THE COURT:** All right. So I will now ask you the official
5 question, and that is: How does Samsung SDI Company, Limited,
6 a defendant in this case, plead to the information filed
7 against it in this case charging it with criminal violation of
8 Section 1 of the Sherman Act, conspiracy and restraint of
9 trade?

10 Does Samsung SDI Company, Limited, plead guilty or not
11 guilty?

12 **MR. NOH:** Guilty.

13 **THE COURT:** All right. So, Mr. Sang Soo Noh, I'm going to
14 do what you have asked me to do. I will find that you and
15 Samsung are fully competent and capable of entering an informed
16 plea; that you are aware, and Samsung is aware of the nature of
17 the charges and the possible consequences of pleading guilty;
18 that Samsung's plea of guilty is supported by a factual basis;
19 that it is voluntary and informed.

20 So the Court will accept your plea of guilty on behalf of
21 Samsung SDI Company, Limited, and adjudge Samsung SDI Company,
22 Limited, convicted of violating Section 1 as charged in the
23 Sherman Act. So that important step is behind Samsung SDI
24 Company, Limited.

25 Now the Court will refer you to the probation department

1 for preparation of the presentence report, and then we will
2 come back here later on to determine what the sentence ought to
3 be or whether to accept your proposed agreement.

4 Now, ordinarily we'd come back in 90 days, but you may
5 want time for your cooperation to run.

6 I'll do whatever you want to do that on that.

7 **MS. HEYE:** I think we'd like to come back in 90 days, Your
8 Honor.

9 **MR. HALLING:** We would like to come back in 90 days, Your
10 Honor.

11 **THE COURT:** In 90 days. Fine. Set it for 90 days out.

12 **THE CLERK:** August 16th at 2:00.

13 **THE COURT:** All right.

14 **MS. HEYE:** Would you like the original plea?

15 **THE COURT:** Yes. Please give Tony the original plea, and
16 you keep that, Tony. I don't need to see that. Just make
17 sure -- let me just see if it's been properly signed.

18 Has it been signed by everyone?

19 **MS. HEYE:** Yes, Your Honor, it has.

20 **THE COURT:** All right. Here you are.

21 All right. Anything more I can do for you today?

22 **MS. HEYE:** Just in an abundance of caution, can we confirm
23 and put on the record that time between now and the sentencing
24 hearing shall be excluded from the Speedy Trial Act on the
25 basis that -- for a delay resulting from consideration by the

1 Court of our proposed plea agreement.

2 **THE COURT:** Okay. Well, I'll do that if everyone wants me
3 to, but I think since the guilty plea has been accepted, the --
4 whether or not -- you see, the plea has been accepted.

5 **MS. HEYE:** Um-hum.

6 **THE COURT:** If I were to exceed the \$32 million here, for
7 some reason, then you would have a right to make a motion to
8 withdraw the guilty plea.

9 I don't think what you're asking for is necessary, but out
10 of caution, we will do that.

11 Is there any objection?

12 **MR. HALLING:** No, Your Honor.

13 **THE COURT:** All right. For the reasons stated by counsel,
14 the time between today and August 16th will be excluded from
15 the speedy trial calculation.

16 The Court finds the need for the continuance outweighs the
17 need for the public and the defendant in a speedy trial.

18 Please do a written stipulation.

19 Would you do that?

20 **MS. HEYE:** Yes, Your Honor.

21 **THE COURT:** Okay. Anything more today?

22 **MS. HEYE:** No, Your Honor, that's it.

23 **MR. HALLING:** No, Your Honor.

24 **THE COURT:** Great. Thank you all.

25 **MR. HALLING:** Thank you, Your Honor.

1 **THE COURT:** Have a good day.

2 **THE CLERK:** Court is in recess.

3 *(Proceedings concluded at 4:00 p.m.)*

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CERTIFICATE OF REPORTER

I, the undersigned, hereby certify that the foregoing proceedings were reported by me, a certified shorthand reporter, and were thereafter transcribed under my direction into typewriting; that the foregoing is a full, complete and true record of said proceedings.

I further certify that I am not of counsel or attorney for either or any of the parties in the foregoing proceedings and caption named, or in any way interested in the outcome of the cause named in said caption.

The fee charged and the page format for the transcript conform to the regulations of the judicial conference.

Furthermore, I certify the invoice does not contain charges for the court reporter's certification page.

IN WITNESS WHEREOF, I have hereunto set my hand this 24th day of May 2011.

/s/ Margaret Gurule

MARGARET "MARGO" GURULE, CSR

EXHIBIT 6

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UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

Case No. CR 11-0162 (WHA)

UNITED STATES OF AMERICA

v.

SAMSUNG SDI COMPANY, LTD.,

Defendant.

AMENDED PLEA AGREEMENT

The United States of America and Samsung SDI Company, Ltd. ("defendant"), a corporation organized and existing under the laws of the Republic of Korea, hereby enter into the following Amended Plea Agreement ("Plea Agreement") pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure ("Fed. R. Crim. P."):

RIGHTS OF DEFENDANT

1. The defendant understands its rights:
 - (a) to be represented by an attorney;
 - (b) to be charged by Indictment;
 - (c) as a corporation organized and existing under the laws of the Republic of Korea, to decline to accept service of the Summons in this case, and to contest the jurisdiction of the United States to prosecute this case against it in the United States District Court for the Northern District of California;

PLEA AGREEMENT - SAMSUNG SDI - PAGE 1

- 1 (d) to plead not guilty to any criminal charge brought against it;
- 2 (e) to have a trial by jury, at which it would be presumed not guilty of the
- 3 charge and the United States would have to prove every essential element of the charged
- 4 offense beyond a reasonable doubt for it to be found guilty;
- 5 (f) to confront and cross-examine witnesses against it and to subpoena
- 6 witnesses in its defense at trial;
- 7 (g) to appeal its conviction if it is found guilty; and
- 8 (h) to appeal the imposition of sentence against it.

9 **AGREEMENT TO PLEAD GUILTY**
10 **AND WAIVE CERTAIN RIGHTS**

11 2. The defendant knowingly and voluntarily waives the rights set out in Paragraph

12 1(b)-(g) above, including all jurisdictional defenses to the prosecution of this case, and agrees

13 voluntarily to consent to the jurisdiction of the United States to prosecute this case against it in

14 the United States District Court for the Northern District of California. The defendant also

15 knowingly and voluntarily waives the right to file any appeal, any collateral attack, or any other

16 writ or motion, including but not limited to an appeal under 18 U.S.C. § 3742, that challenges the

17 sentence imposed by the Court if that sentence is consistent with or below the recommended

18 sentence in Paragraph 8 of this Plea Agreement, regardless of how the sentence is determined by

19 the Court. This agreement does not affect the rights or obligations of the United States as set

20 forth in 18 U.S.C. § 3742(b) and (c). Nothing in this paragraph, however, shall act as a bar to the

21 defendant perfecting any legal remedies it may otherwise have on appeal or collateral attack

22 respecting claims of ineffective assistance of counsel or prosecutorial misconduct. Pursuant to

23 Fed. R. Crim. P. 7(b), the defendant will waive indictment and plead guilty at arraignment to a

24 one-count Information to be filed in the United States District Court for the Northern District of

25 California. The Information will charge the defendant with participating in a conspiracy to

26 suppress and eliminate competition by fixing prices, reducing output, and allocating market

27 shares of color display tubes ("CDTs") sold in the United States and elsewhere, from at least as

28 early as January 1997, until at least as late as March 2006, in violation of the Sherman Antitrust

1 Act, 15 U.S.C. § 1.

2 3. The defendant, pursuant to the terms of this Plea Agreement, will plead guilty to
3 the criminal charge described in Paragraph 2 above and will make a factual admission of guilt to
4 the Court in accordance with Fed. R. Crim. P. 11, as set forth in Paragraph 4 below.

5 **FACTUAL BASIS FOR OFFENSE CHARGED**

6 4. Had this case gone to trial, the United States would have presented evidence
7 sufficient to prove the following facts:

8 (a) For purposes of this Plea Agreement, the "relevant period" is that period from at
9 least as early as January 1997, until at least as late as March 2006. During the relevant period,
10 the defendant was a corporation organized and existing under the laws of the Republic of Korea.
11 The defendant has its principal place of business in Giheung, Republic of Korea. During the
12 relevant period, the defendant was a producer of CDTs, was engaged in the sale of CDTs in the
13 United States and elsewhere, and employed over 5,000 individuals.

14 (b) CDTs are a type of cathode ray tube. Cathode ray tubes consist of evacuated glass
15 envelopes that contain an electron gun and a phosphorescent screen. When electrons strike the
16 screen, light is emitted, creating an image on the screen. CDTs are the specialized cathode ray
17 tubes manufactured for use in computer monitors and other products with similar technological
18 requirements. CDTs are distinguished from another type of specialized cathode ray tube product,
19 color picture tubes ("CPTs"), which are manufactured for use in televisions.

20 (c) During the relevant period, the defendant, through its officers and employees,
21 including high-level personnel of the defendant, participated in a conspiracy among major CDT
22 producers, the primary purpose of which was to fix prices, reduce output, and allocate market
23 shares of CDTs sold in the United States and elsewhere. In furtherance of the conspiracy, the
24 defendant, through its officers and employees, engaged in discussions and attended meetings
25 with representatives of other major CDT producers. During these discussions and meetings,
26 agreements were reached to fix prices, reduce output, and allocate market shares of CDTs to be
27 sold in the United States and elsewhere.

28 (d) During the relevant period, CDTs sold by one or more of the conspirator firms,

PLEA AGREEMENT - SAMSUNG SDI - PAGE 3

1 and equipment and supplies necessary to the production and distribution of CDTs, as well as
2 payments for CDTs, traveled in interstate and foreign commerce. The business activities of the
3 defendant and its co-conspirators in connection with the production and sale of CDTs that were
4 the subjects of this conspiracy were within the flow of, and substantially affected, interstate and
5 foreign trade and commerce. During the relevant period, the defendant's CDT sales, directly
6 affected by the conspiracy, to customers in the United States totaled approximately \$89 million.

7 (e) Acts in furtherance of this conspiracy were carried out within the Northern
8 District of California. CDTs that were the subject of this conspiracy were transported by one or
9 more of the conspirators through this District.

10 **POSSIBLE MAXIMUM SENTENCE**

11 5. The defendant understands that the statutory maximum penalty which may be
12 imposed against it upon conviction for a violation of Section One of the Sherman Antitrust Act is
13 a fine in an amount equal to the greatest of:

14 (a) \$100 million (15 U.S.C. § 1);

15 (b) twice the gross pecuniary gain the conspirators derived from the crime (18
16 U.S.C. § 3571(c) and (d)); or

17 (c) twice the gross pecuniary loss caused to the victims of the crime by the
18 conspirators (18 U.S.C. § 3571(c) and (d)).

19 6. In addition, the defendant understands that:

20 (a) pursuant to 18 U.S.C. § 3561(c)(1), the Court may impose a term of
21 probation of at least one year, but not more than five years;

22 (b) pursuant to §8B1.1 of the United States Sentencing Guidelines
23 ("U.S.S.G.," "Sentencing Guidelines," or "Guidelines") or 18 U.S.C. § 3563(b)(2) or
24 3663(a)(3), the Court may order it to pay restitution to the victims of the offense; and

25 (c) pursuant to 18 U.S.C. § 3013(a)(2)(B), the Court is required to order the
26 defendant to pay a \$400 special assessment upon conviction for the charged crime.

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PLEA AGREEMENT - SAMSUNG SDI - PAGE 4

SENTENCING GUIDELINES

7. The defendant understands that the Sentencing Guidelines are advisory, not mandatory, but that the Court must consider the Guidelines in effect on the day of sentencing, along with the other factors set forth in 18 U.S.C. § 3553(a), in determining and imposing sentence. The defendant understands that the Guidelines determinations will be made by the Court by a preponderance of the evidence standard. The defendant understands that although the Court is not ultimately bound to impose a sentence within the applicable Guidelines range, its sentence must be reasonable based upon consideration of all relevant sentencing factors set forth in 18 U.S.C. § 3553(a). Pursuant to U.S.S.G. §1B1.8, the United States agrees that self-incriminating information that the defendant provides to the United States pursuant to this Plea Agreement will not be used to increase the volume of affected commerce attributable to the defendant or in determining the defendant's applicable Guidelines range, except to the extent provided in U.S.S.G. §1B1.8(b).

SENTENCING AGREEMENT

8. Pursuant to Fed. R. Crim. P. 11(c)(1)(C), the United States and the defendant agree that the appropriate disposition of this case is, and agree to recommend jointly that the Court impose, a sentence within the applicable Guidelines range requiring the defendant to pay to the United States a criminal fine of \$32 million, and no order of restitution ("the recommended sentence"). The parties agree that there exists no aggravating or mitigating circumstance of a kind, or to a degree, not adequately taken into consideration by the U.S. Sentencing Commission in formulating the Sentencing Guidelines justifying a departure pursuant to U.S.S.G. §5K2.0. The parties agree not to seek or support any sentence outside of the Guidelines range nor any Guidelines adjustment for any reason that is not set forth in this Plea Agreement. The parties further agree that the recommended sentence set forth in this Plea Agreement is reasonable.

(a) The defendant understands that the Court will order it to pay a \$400 special assessment, pursuant to 18 U.S.C. § 3013(a)(2)(B), in addition to any fine imposed.

(b) Both parties will recommend that no term of probation be imposed, but the

1 defendant understands that the Court's denial of this request will not void this Plea
2 Agreement.

3 (c) The United States and the defendant jointly submit that this Plea
4 Agreement, together with the record that will be created by the United States and the
5 defendant at the plea and sentencing hearings, and the further disclosure described in
6 Paragraph 9, will provide sufficient information concerning the defendant, the crime
7 charged in this case, and the defendant's role in the crime to enable the meaningful
8 exercise of sentencing authority by the Court under 18 U.S.C. § 3553. The United States
9 and defendant agree to request jointly that the Court accept the defendant's guilty plea
10 and impose sentence on an expedited schedule as early as the date of arraignment, based
11 upon the record provided by the defendant and the United States, under the provisions of
12 Fed. R. Crim. P. 32(c)(1)(A)(ii), U.S.S.G. §6A1.1, and Rule 32-1(b) of the Criminal
13 Local Rules. The Court's denial of the request to impose sentence on an expedited
14 schedule will not void this Plea Agreement.

15 9. Subject to the ongoing, full, and truthful cooperation of the defendant described in
16 Paragraph 12 of this Plea Agreement, and before sentencing in the case, the United States will
17 fully advise the Court of the fact, manner, and extent of the defendant's cooperation and its
18 commitment to prospective cooperation with the United States' investigation and prosecutions,
19 all material facts relating to the defendant's involvement in the charged offense, and all other
20 relevant conduct.

21 10. The United States and the defendant understand that the Court retains complete
22 discretion to accept or reject the recommended sentence provided for in Paragraph 8 of this Plea
23 Agreement.

24 (a) If the Court does not accept the recommended sentence, the United States
25 and the defendant agree that this Plea Agreement, except for Paragraph 10(b) below, shall
26 be rendered void.

27 (b) If the Court does not accept the recommended sentence, the defendant will
28 be free to withdraw its guilty plea (Fed. R. Crim. P. 11(c)(5) and (d)). If the defendant

1 withdraws its plea of guilty, this Plea Agreement, the guilty plea, and any statement made
2 in the course of any proceedings under Fed. R. Crim. P. 11 regarding the guilty plea or
3 this Plea Agreement or made in the course of plea discussions with an attorney for the
4 government shall not be admissible against the defendant in any criminal or civil
5 proceeding, except as otherwise provided in Fed. R. Evid. 410. In addition, the defendant
6 agrees that, if it withdraws its guilty plea pursuant to this subparagraph of the Plea
7 Agreement, the statute of limitations period for any offense referred to in Paragraph 16 of
8 this Plea Agreement shall be tolled for the period between March 10, 2011 and the date
9 the defendant withdrew its guilty plea or for a period of sixty (60) days after the date of
10 the signing of the Plea Agreement, whichever period is greater.

11 11. In light of the civil class action cases filed against the defendant, including *In re*
12 *Cathode Ray Tube (CRT) Antitrust Litigation*, No. C07-5944 SC, MDL No. 1917, in the United
13 States District Court, Northern District of California, which potentially provide for a recovery of
14 a multiple of actual damages, and the opportunity for potential victims to pursue damages
15 through non-class claims in the multidistrict litigation and other proceedings, the United States
16 and the defendant agree that the recommended sentence provided for in Paragraph 8 of this Plea
17 Agreement does not include a restitution order for the offense charged in the Information.

18 DEFENDANT'S COOPERATION

19 12. The defendant, its subsidiaries, and related corporate entities engaged in the sale
20 or production of any cathode ray tube products, including CDTs and CPTs (collectively, "related
21 entities") will cooperate fully and truthfully with the United States in the prosecution of this case,
22 the conduct of the current federal investigation of violations of federal antitrust and related
23 criminal laws involving the manufacture or sale of CDTs and CPTs in the United States and
24 elsewhere, any other federal investigation resulting therefrom, and any litigation or other
25 proceedings arising or resulting from any such investigation to which the United States is a party
26 ("Federal Proceeding"). The ongoing, full, and truthful cooperation of the defendant shall
27 include, but not be limited to:

28 (a) producing to the United States all non-privileged documents, information,

1 and other materials wherever located, in the possession, custody, or control of the
2 defendant or any of its related entities, requested by the United States in connection with
3 any Federal Proceeding; and

4 (b) using its best efforts to secure the ongoing, full, and truthful cooperation,
5 as defined in Paragraph 13 of this Plea Agreement, of the current and former directors,
6 officers, and employees of the defendant or any of its related entities as may be requested
7 by the United States -- but excluding Jae-Sik Kim, Seung-Kyu Park, a.k.a. Sang-Kyu
8 Park, a.k.a. Sky Park, Duck-Yun Kim, a.k.a. Deok-Yun Kim, a.k.a. Deok-Yeon Kim, and
9 Hoo-Mok Ha, a.k.a. Hu-Mok Ha -- including making these persons available in the
10 United States and at other mutually agreed-upon locations, at the defendant's expense, for
11 interviews and the provision of testimony in grand jury, trial, and other judicial
12 proceedings in connection with any Federal Proceeding.

13 13. The ongoing, full, and truthful cooperation of each person described in Paragraph
14 12(b) above will be subject to the procedures and protections of this paragraph, and shall include,
15 but not be limited to:

16 (a) producing in the United States and at other mutually agreed-upon locations
17 all non-privileged documents, including claimed personal documents, and other materials,
18 wherever located, requested by attorneys and agents of the United States;

19 (b) making himself or herself available for interviews in the United States and
20 at other mutually agreed-upon locations, not at the expense of the United States, upon the
21 request of attorneys and agents of the United States;

22 (c) responding fully and truthfully to all inquiries of the United States in
23 connection with any Federal Proceeding, without falsely implicating any person or
24 intentionally withholding any information, subject to the penalties of making false
25 statements (18 U.S.C. § 1001) and obstruction of justice (18 U.S.C. § 1503, *et seq.*);

26 (d) otherwise voluntarily providing the United States with any non-privileged
27 material or information not requested in (a) - (c) of this paragraph that he or she may have
28 that is related to any Federal Proceeding;

1 (e) when called upon to do so by the United States in connection with any
2 Federal Proceeding, testifying in grand jury, trial, and other judicial proceedings in the
3 United States fully, truthfully, and under oath, subject to the penalties of perjury (18
4 U.S.C. § 1621), making false statements or declarations in grand jury or court
5 proceedings (18 U.S.C. § 1623), contempt (18 U.S.C. §§ 401-402), and obstruction of
6 justice (18 U.S.C. § 1503, *et seq.*); and

7 (f) agreeing that, if the agreement not to prosecute him or her in this Plea
8 Agreement is rendered void under Paragraph 15(c), the statute of limitations period for
9 any Relevant Offense as defined in Paragraph 15(a) shall be tolled as to him or her for the
10 period between the date of the signing of this Plea Agreement and six (6) months after the
11 date that the United States gave notice of its intent to void its obligations to that person
12 under the Plea Agreement.

13 **GOVERNMENT'S AGREEMENT**

14 14. Upon acceptance of the guilty plea called for by this Plea Agreement and the
15 imposition of the recommended sentence, and subject to the cooperation requirements of
16 Paragraph 12 of this Plea Agreement, the United States agrees that it will not bring further
17 criminal charges against the defendant or any of its related entities for any act or offense
18 committed before the date of this Plea Agreement that was undertaken in furtherance of an
19 antitrust conspiracy involving the manufacture or sale of any cathode ray tube products, including
20 CDTs and CPTs, in the United States and elsewhere. The nonprosecution terms of this
21 paragraph do not apply to civil matters of any kind, to any violation of the federal tax or
22 securities laws, or to any crime of violence.

23 15. The United States agrees to the following:

24 (a) Upon the Court's acceptance of the guilty plea called for by this Plea
25 Agreement and the imposition of the recommended sentence and subject to the
26 exceptions noted in Paragraph 15(c), the United States will not bring criminal charges
27 against any current or former director, officer, or employee of the defendant or its related
28 entities for any act or offense committed before the date of this Plea Agreement and while

1 that person was acting as a director, officer, or employee of the defendant or its related
2 entities that was undertaken in furtherance of an antitrust conspiracy involving the
3 manufacture or sale of any cathode ray tube products, including CDTs and CPTs, in the
4 United States and elsewhere ("Relevant Offense"), except that the protections granted in
5 this paragraph shall not apply to Jae-Sik Kim, Seung-Kyu Park, a.k.a. Sang-Kyu Park,
6 a.k.a. Sky Park, Duck-Yun Kim, a.k.a. Deok-Yun Kim, a.k.a. Deok-Yeon Kim, and Hoo-
7 Mok Ha, a.k.a. Hu-Mok Ha;

8 (b) Should the United States determine that any current or former director,
9 officer, or employee of the defendant or its related entities may have information relevant
10 to any Federal Proceeding, the United States may request that person's cooperation under
11 the terms of this Plea Agreement by written request delivered to counsel for the
12 individual (with a copy to the undersigned counsel for the defendant) or, if the individual
13 is not known by the United States to be represented, to the undersigned counsel for the
14 defendant;

15 (c) If any person requested to provide cooperation under Paragraph 15(b) fails
16 to comply with his or her obligations under Paragraph 13, then the terms of this Plea
17 Agreement as they pertain to that person, and the agreement not to prosecute that person
18 granted in this Plea Agreement, shall be rendered void;

19 (d) Except as provided in Paragraph 15(e), information provided by a person
20 described in Paragraph 15(b) to the United States under the terms of this Plea Agreement
21 pertaining to any Relevant Offense, or any information directly or indirectly derived from
22 that information, may not be used against that person in a criminal case, except in a
23 prosecution for perjury (18 U.S.C. § 1621), making a false statement or declaration
24 (18 U.S.C. §§ 1001, 1623), or obstruction of justice (18 U.S.C. § 1503, *et seq.*);

25 (e) If any person who provides information to the United States under this
26 Plea Agreement fails to comply fully with his or her obligations under Paragraph 13 of
27 this Plea Agreement, the agreement in Paragraph 15(d) not to use that information or any
28 information directly or indirectly derived from it against that person in a criminal case

1 shall be rendered void;

2 (f) The nonprosecution terms of this paragraph do not apply to civil matters of
3 any kind, to any violation of the federal tax or securities laws, or to any crime of violence;
4 and

5 (g) Documents provided under Paragraphs 12(a) and 13(a) shall be deemed
6 responsive to outstanding grand jury subpoenas issued to the defendant or any of its
7 related entities.

8 16. The United States agrees that when any person travels to the United States for
9 interviews, grand jury appearances, or court appearances pursuant to this Plea Agreement, or for
10 meetings with counsel in preparation therefor, the United States will take no action, based upon
11 any Relevant Offense, to subject such person to arrest, detention, or service of process, or to
12 prevent such person from departing the United States. This paragraph does not apply to an
13 individual's commission of perjury (18 U.S.C. § 1621), making false statements (18 U.S.C. §
14 1001), making false statements or declarations in grand jury or court proceedings (18 U.S.C. §
15 1623), obstruction of justice (18 U.S.C. § 1503, *et seq.*), or contempt (18 U.S.C. §§ 401-402) in
16 connection with any testimony or information provided or requested in any Federal Proceeding.

17 17. The defendant understands that it may be subject to administrative action by
18 federal or state agencies other than the United States Department of Justice, Antitrust Division,
19 based upon the conviction resulting from this Plea Agreement, and that this Plea Agreement in
20 no way controls whatever action, if any, other agencies may take. However, the United States
21 agrees that, if requested, it will advise the appropriate officials of any governmental agency
22 considering such administrative action of the fact, manner, and extent of the cooperation of the
23 defendant and its related entities as a matter for that agency to consider before determining what
24 administrative action, if any, to take.

25 **REPRESENTATION BY COUNSEL**

26 18. The defendant has been represented by counsel and is fully satisfied that its
27 attorneys have provided competent legal representation. The defendant has thoroughly reviewed
28 this Plea Agreement and acknowledges that counsel has advised it of the nature of the charge,

1 any possible defenses to the charge, and the nature and range of possible sentences.

2 **VOLUNTARY PLEA**

3 19. The defendant's decision to enter into this Plea Agreement and to tender a plea of
4 guilty is freely and voluntarily made and is not the result of force, threats, assurances, promises,
5 or representations other than the representations contained in this Plea Agreement. The United
6 States has made no promises or representations to the defendant as to whether the Court will
7 accept or reject the recommendations contained within this Plea Agreement.

8 **VIOLATION OF PLEA AGREEMENT**

9 20. The defendant agrees that, should the United States determine in good faith,
10 during the period that any Federal Proceeding is pending, that the defendant or any of its related
11 entities have failed to provide full and truthful cooperation, as described in Paragraph 12 of this
12 Plea Agreement, or has otherwise violated any provision of this Plea Agreement, the United
13 States will notify counsel for the defendant in writing by personal or overnight delivery or
14 facsimile transmission and may also notify counsel by telephone of its intention to void any of its
15 obligations under this Plea Agreement (except its obligations under this paragraph), and the
16 defendant and its related entities shall be subject to prosecution for any federal crime of which
17 the United States has knowledge including, but not limited to, the substantive offenses relating to
18 the investigation resulting in this Plea Agreement. The defendant may seek Court review of any
19 determination made by the United States under this Paragraph to void any of its obligations under
20 the Plea Agreement. The defendant and its related entities agree that, in the event that the United
21 States is released from its obligations under this Plea Agreement and brings criminal charges
22 against the defendant or its related entities for any offense referred to in Paragraph 14 of this Plea
23 Agreement, the statute of limitations period for such offense shall be tolled for the period
24 between the date of the signing of this Plea Agreement and six (6) months after the date the
25 United States gave notice of its intent to void its obligations under this Plea Agreement.

26 21. The defendant understands and agrees that in any further prosecution
27 of it or its related entities resulting from the release of the United States from its obligations
28 under this Plea Agreement, because of the defendant's or its related entities' violation of the Plea

1 Agreement, any documents, statements, information, testimony, or evidence provided by it, its
2 related entities, or current or former directors, officers, or employees of it or its related entities to
3 attorneys or agents of the United States, federal grand juries, or courts, and any leads derived
4 therefrom, may be used against it or its related entities in any such further prosecution. In
5 addition, the defendant unconditionally waives its right to challenge the use of such evidence in
6 any such further prosecution, notwithstanding the protections of Fed. R. Evid. 410.

7 **ENTIRETY OF AGREEMENT**

8 22. This Plea Agreement constitutes the entire agreement between the
9 United States and the defendant concerning the disposition of the criminal charge in this case.
10 This Plea Agreement cannot be modified except in writing, signed by the United States and the
11 defendant.

12 23. The undersigned is authorized to enter this Plea Agreement on behalf of the
13 defendant as evidenced by the Resolution of the Board of Directors of the defendant attached to,
14 and incorporated by reference in, this Plea Agreement.

15 24. The undersigned attorneys for the United States have been authorized
16 by the Attorney General of the United States to enter this Plea Agreement on behalf of the United
17 States.

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PLEA AGREEMENT - SAMSUNG SDI - PAGE 13

25. A facsimile or PDF signature shall be deemed an original signature for the purpose of executing this Plea Agreement. Multiple signature pages are authorized for the purpose of executing this Plea Agreement.

Respectfully submitted,

BY: 

Sang Soo Noh
Vice President
Samsung SDI Company, Ltd.
428-5 Gongso-dong
Giheung-gu, Yongin-si
Gyeonggi-do, 446-577
Republic of Korea

DATED: 5/12/2011

BY: 

Lidia Makar
May Lee Hye
Tai S. Milder
Attorneys
U.S. Department of Justice
Antitrust Division
450 Golden Gate Avenue
Box 36046, Room 10-0101
San Francisco, California 94102
Tel: (415) 436-6660
Fax: (415) 436-6687

DATED: May 12, 2011

BY: 

Gary L. Halling, Esq.
Counsel for Samsung SDI Company, Ltd.
Sheppard Mullin Richter & Hampton LLP
Four Embarcadero Center, 17th Floor
San Francisco, California 94111
Tel: (415) 434-9100
Fax: (415) 434-3947

DATED: May 12, 2011

EXHIBIT 7

GIBSON, DUNN & CRUTCHER LLP
JOEL S. SANDERS, SBN 107234
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Attorneys for Defendants
CHUNGHWA PICTURE TUBES, LTD. and
CHUNGHWA PICTURE TUBES (MALAYSIA)
SDN. BHD.

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

IN RE: CATHODE RAY TUBE (CRT)
ANTITRUST LITIGATION

Master File No. 3:07-CV-5944 SC
MDL No. 1917

This Document Relates To:

Best Buy Co. Inc. et al. v. Hitachi, Ltd. et al., No.
3:11-cv-05513-SC

*Sears, Roebuck and Co. et al. v. Chunghwa
Picture Tubes, Ltd. et al.*, No. 3:11-cv-05514-SC

*Target Corp. v. Chunghwa Picture Tubes, Ltd. et
al.*, No. 3:11-cv-05514-SC

*ViewSonic Corp. v. Chunghwa Picture Tubes,
Ltd. et al.*, No. 3:14-cv-02510-SC

**DEFENDANTS CHUNGHWA PICTURE
TUBES, LTD. AND CHUNGHWA
PICTURE TUBES (MALAYSIA) SDN.
BHD.'S NOTICE OF LIMITATION OF
DAMAGES PURSUANT TO ANTITRUST
CRIMINAL PENALTY ENHANCEMENT
AND REFORM ACT OF 2004**

1 TO THE COURT, THE CLERK, ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

2 PLEASE TAKE NOTICE that in connection with the trial currently scheduled to commence
3 on March 9, 2015 in this matter, Defendants Chunghwa Picture Tubes, Ltd. and Chunghwa Picture
4 Tubes (Malaysia) Sdn. Bhd. (collectively, "CPT"), will and hereby do assert the protections offered
5 under the Antitrust Criminal Penalty Enhancement and Reform Act of 2004, Pub. L. No. 108-237,
6 118 Stat. 661, § 213(a) ("ACPERA") that limit any recovery from CPT to "actual damages sustained
7 by" a plaintiff that are "attributable to the commerce done by" CPT.

8 CPT self-reported conduct related to cathode ray tubes to the U.S. Department of Justice and
9 obtained amnesty from criminal prosecution pursuant to the Antitrust Division's Leniency Program.
10 See Decl. of Rachel Brass in Support of Notice, Ex. A (leniency agreement). ACPERA relieves a
11 successful leniency applicant, here CPT, from exposure to treble damages and joint-and-several
12 liability in any civil action:

13 [I]n any civil action alleging a violation of section 1 or 3 of the Sherman Act, or alleging a
14 violation of any similar State law, based on conduct covered by a currently effective antitrust
15 leniency agreement, *the amount of damages recovered* by or on behalf of a claimant from an
16 antitrust leniency applicant who satisfies the [cooperation] requirements of subsection (b),
17 together with the amounts so recovered from cooperating individuals who satisfy such
requirements, *shall not exceed that portion of the actual damages sustained by such claimant
which is attributable to the commerce done by the applicant in the goods or services affected
by the violation.*

18 ACPERA § 213(a) (emphasis added). CPT intends to demonstrate that it has satisfied its statutory
19 cooperation obligations and is therefore entitled to the benefits of ACPERA. Accordingly, any
20 damages that Direct Action Plaintiffs seek to recover from CPT must be limited to "actual damages"
21 they can prove they "sustained" that are directly "attributable to the commerce done by" CPT.

22 DATED: January 15, 2015

GIBSON, DUNN & CRUTCHER LLP

24 By: /s/ Joel S. Sanders
25 Joel S. Sanders

26 Attorneys for Defendants
27 CHUNGHWA PICTURE TUBES, LTD and
28 CHUNGHWA PICTURE TUBES (MALAYSIA) SDN.
BHD.

DECLARATION OF SERVICE

I, Joseph Hansen, declare as follows:

I am employed in the County of San Francisco, State of California; I am over the age of eighteen years and am not a party to this action; my business address is 555 Mission Street, Suite 3000, San Francisco, California, 94105, in said County and State. On the date below, I served the within:

DEFENDANTS CHUNGHWA PICTURE TUBES, LTD. AND CHUNGHWA PICTURE TUBES (MALAYSIA) SDN. BHD.'S NOTICE OF LIMITATION OF DAMAGES PURSUANT TO ANTITRUST CRIMINAL PENALTY ENHANCEMENT AND REFORM ACT OF 2004

to all named counsel of record as follows:



BY ECF (ELECTRONIC CASE FILING): I e-filed the above-detailed documents utilizing the United States District Court, Northern District of California's mandated ECF (Electronic Case Filing) service on January 15, 2015. Counsel of record are required by the Court to be registered e-filers, and as such are automatically e-served with a copy of the documents upon confirmation of e-filing.

I certify under penalty of perjury that the foregoing is true and correct, that the foregoing document(s) were printed on recycled paper, and that this Declaration of Service was executed by me on January 15, 2015, at San Francisco, California.

/s/ Joseph Hansen
Joseph Hansen

101863726.3

GIBSON, DUNN & CRUTCHER LLP
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Attorneys for Defendants
CHUNGHWA PICTURE TUBES, LTD. and
CHUNGHWA PICTURE TUBES (MALAYSIA)
SDN. BHD.

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

IN RE: CATHODE RAY TUBE (CRT)
ANTITRUST LITIGATION

Master File No. 3:07-CV-5944 SC
MDL No. 1917

This Document Relates To:

Best Buy Co. Inc. et al. v. Hitachi, Ltd. et al., No.
3:11-cv-05513-SC

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al.*, No. 3:11-cv-05514-SC

*ViewSonic Corp. v. Chunghwa Picture Tubes,
Ltd. et al.*, No. 3:14-cv-02510-SC

**DECLARATION OF RACHEL S. BRASS
IN SUPPORT OF DEFENDANTS
CHUNGHWA PICTURE TUBES, LTD.
AND CHUNGHWA PICTURE TUBES
(MALAYSIA) SDN. BHD.'S NOTICE OF
LIMITATION OF DAMAGES PURSUANT
TO ANTITRUST CRIMINAL PENALTY
ENHANCEMENT AND REFORM ACT OF
2004**

1 I, Rachel S. Brass, hereby declare as follows:

2 1. I am a partner in the law firm of Gibson, Dunn & Crutcher LLP, counsel of record for
3 Chunghwa Picture Tubes, Ltd. ("CPT") and Chunghwa Picture Tubes (Malaysia) Sdn. Bhd.
4 ("CPTM") in the above-referenced action.

5 2. I submit this declaration in support of Defendants CPT and CPTM's Notice of
6 Limitation of Damages Pursuant to Antitrust Criminal Penalty Enhancement and Reform Act of
7 2004. Unless otherwise indicated, I have personal knowledge of the foregoing and could and would
8 testify to the same if called as a witness in this matter.

9 3. Attached as **Exhibit A** is a true and correct copy of the leniency agreement entered
10 into between Chunghwa Picture Tubes, Ltd. and its subsidiaries (including CPTM) and the Antitrust
11 Division of the U.S. Department of Justice.

12 I declare under penalty of perjury that the foregoing is true and correct.

13 Executed this 15th day of January 2015, at San Francisco, California.

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15 By: /s/ Rachel S. Brass
16 Rachel S. Brass

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EXHIBIT A



U. S. Department of Justice

Antitrust Division

Office of the Deputy Assistant Attorney General

950 Pennsylvania Ave., NW, Suite 3218
Washington, D.C. 20530-0001

Gary R. Spratling
Gibson, Dunn & Crutcher, LLP
One Montgomery Street
Suite 3100
San Francisco, California 94104

Dear Mr. Spratling:

This letter sets forth the terms and conditions of an agreement between the Antitrust Division of the United States Department of Justice and Chunghwa Picture Tubes, Ltd., and its subsidiaries (collectively "Chunghwa"), in connection with possible price-fixing, market-allocation, and output-restriction activity, or other conduct violative of Section 1 of the Sherman Act, 15 U.S.C. § 1, in the cathode ray tube ("CRT") industry, including such conduct involving color display tubes and color picture tubes, in the United States and elsewhere. This Agreement is conditional and depends upon Chunghwa satisfying the conditions set forth below. After all of these conditions are met, the Division will notify Chunghwa in writing that the application has been granted. It is further agreed that disclosures made by counsel for Chunghwa in furtherance of the leniency application will not constitute a waiver of the attorney-client privilege or the work-product privilege.

AGREEMENT

1. **Representations:** Chunghwa desires to report to the Antitrust Division possible price-fixing, market-allocation, and output-restriction activity, or other conduct violative of the Sherman Act in the CRT industry in the United States and elsewhere ("the anticompetitive activity being reported"). Chunghwa represents to the Antitrust Division that, in connection with the anticompetitive activity being reported, it:

- (a) took prompt and effective action to terminate its part in the anticompetitive activity being reported upon discovery of the activity; and
- (b) did not coerce any other party to participate in the activity and was not the leader in, or the originator of, the anticompetitive activity being reported.

2. **Cooperation:** Chunghwa agrees to provide full, continuing and complete cooperation to the Antitrust Division in connection with the anticompetitive activity being reported, including, but not limited to, the following:

- (a) providing a full exposition of all facts known to Chunghwa relating to the anticompetitive activity being reported;
- (b) providing promptly, and without requirement of subpoena, all documents or other items in its possession, custody or control, wherever located, requested by the Antitrust Division in connection with the anticompetitive activity being reported, to the extent not already produced;
- (c) using its best efforts to secure the ongoing, full and truthful cooperation of the current directors, officers and employees of Chunghwa, former Chairman and Chief Executive Officer of Chunghwa Picture Tubes, Ltd., C.H. "Frank" Lin, and former President of CPTF Optronics Co., Ltd., a subsidiary of Chunghwa Picture Tubes, Ltd., Jason Lu (collectively "covered employees"), and encouraging such persons voluntarily to provide the Antitrust Division with any information they may have relevant to the anticompetitive activity being reported;
- (d) facilitating the ability of covered employees to appear for such interviews or testimony in connection with the anticompetitive activity being reported as the Antitrust Division may require at the times and places designated by the Antitrust Division;
- (e) using its best efforts to ensure that covered employees who provide information to the Antitrust Division relevant to the anticompetitive activity being reported respond completely, candidly and truthfully to all questions asked in interviews and grand jury appearances and at trial;
- (f) using its best efforts to ensure that covered employees who provide information to the Antitrust Division relevant to the anticompetitive activity being reported make no attempt either falsely to protect or falsely to implicate any person or entity; and
- (g) making all reasonable efforts, to the satisfaction of the Antitrust Division, to pay restitution pursuant to United States law to any person or entity injured as a result of the anticompetitive activity being reported, in which Chunghwa was a participant.

3. Corporate Leniency: Subject to verification of Chunghwa's representations in paragraph 1 above, and subject to its full, continuing and complete cooperation, as described in paragraph 2 above, the Antitrust Division agrees conditionally to accept Chunghwa into Part A of the Corporate Leniency Program, as explained in an Antitrust Division policy statement dated August 10, 1993 (attached). Pursuant to that policy, the Antitrust Division agrees not to bring any

criminal prosecution against Chunghwa for any act or offense it may have committed prior to the date of this letter in connection with the anticompetitive activity being reported. The commitments in this paragraph are binding only upon the Antitrust Division, although, upon request of Chunghwa, the Antitrust Division will bring this Agreement to the attention of other prosecuting offices or administrative agencies. If the Antitrust Division at any time determines that Chunghwa has violated this Agreement, this Agreement shall be void, and the Antitrust Division may revoke the conditional acceptance of Chunghwa into the Corporate Leniency Program. Should the Antitrust Division revoke the conditional acceptance of Chunghwa into the Corporate Leniency Program, the Antitrust Division may thereafter initiate a criminal prosecution against Chunghwa in connection with the anticompetitive activity being reported, without limitation. Should such a prosecution be initiated, the Antitrust Division may use any documents, statements, or other information provided by Chunghwa or by any of its current or former directors, officers, or employees to the Antitrust Division pursuant to this Agreement against Chunghwa, directly or indirectly, in any such prosecution.

4. Non-Prosecution Protection For Corporate Directors, Officers And Employees: Subject to Chunghwa's full, continuing and complete cooperation, the Antitrust Division agrees that covered employees who admit their knowledge of, or participation in, and fully and truthfully cooperate with the Antitrust Division in its investigation of the anticompetitive activity being reported, shall not be prosecuted criminally by the Antitrust Division for any act or offense committed during their period of employment at Chunghwa prior to the date of this letter in connection with the anticompetitive activity being reported. Such full and truthful cooperation of covered employees shall include, but not be limited to:

- (a) producing in the United States all documents and records, including personal documents and records, and other materials requested by attorneys and agents of the United States in connection with the anticompetitive activity being reported;
- (b) making himself or herself available for interviews in the United States upon the request of attorneys and agents of the United States in connection with the anticompetitive activity being reported;
- (c) responding fully and truthfully to all inquiries of the United States in connection with the anticompetitive activity being reported, without falsely implicating any person or intentionally withholding any information;
- (d) otherwise voluntarily providing the United States with any materials or information, not requested in (a) - (c) of this paragraph, that he or she may have relevant to the anticompetitive activity being reported; and
- (e) when called upon to do so by the United States, testifying in trial and grand jury or other proceedings in the United States, fully, truthfully and under

oath, subject to the penalties of perjury (18 U.S.C. § 1621), making false statements or declarations in grand jury or court proceedings (18 U.S.C. § 1623), contempt (18 U.S.C. §§ 401-402) and obstruction of justice (18 U.S.C. § 1503), in connection with the anticompetitive activity being reported.

The commitments in this paragraph are binding only upon the Antitrust Division, although, upon the request of Chunghwa, the Antitrust Division will bring this Agreement to the attention of other prosecuting offices or administrative agencies. In the event a covered employee fails at any time to comply fully with his or her obligations hereunder, this Agreement as it pertains to such individual shall be void, and any leniency, immunity or non-prosecution granted to such individual under this Agreement may be revoked by the Antitrust Division. Should any leniency, immunity or non-prosecution granted be revoked, the Antitrust Division may thereafter prosecute such person criminally in connection with the anticompetitive activity being reported and may use any documents, statements, or other information provided by Chunghwa or by any of its current or former directors, officers, or employees, including such person, to the Antitrust Division pursuant to this Agreement against him or her, directly or indirectly, in such prosecution.

5. **Thin Film Transistor-Liquid Crystal Display Panel Investigation:** Chunghwa acknowledges that it is the target of a separate investigation into possible price-fixing, market-allocation, and output-restriction activity, or other conduct violative of Section 1 of the Sherman Act, 15 U.S.C. § 1, and related statutes, in the Thin Film Transistor-Liquid Crystal Display Panel ("TFT-LCD Panel") industry in the United States and elsewhere and that some of Chunghwa's current and former directors, officers, or employees are, or may become, subjects, targets, or defendants in that separate investigation. Nothing in this Agreement limits the United States from initiating a criminal prosecution against Chunghwa or any of its current or former directors, officers, or employees in connection with the TFT-LCD Panel investigation. The status of Chunghwa or any of its current or former directors, officers, or employees as a subject, target, or defendant in the TFT-LCD Panel investigation does not abrogate or affect Chunghwa's cooperation obligations under paragraph 2 above, including its obligation to use its best efforts to secure the ongoing, full, and truthful cooperation of covered employees, or the cooperation obligations of covered employees under paragraph 4 above. A failure of a covered employee to comply fully with his or her obligations described in paragraph 4 above includes, but is not limited to, regardless of any past or proposed cooperation, not making himself or herself available in the United States for interviews and testimony in trials and grand jury or other proceedings upon the request of attorneys and agents of the United States in connection with the anticompetitive activity being reported because he or she has been, or anticipates being, charged, indicted, or arrested in the United States for violations of federal antitrust and related statutes involving the TFT-LCD Panel industry. Such failure also includes, but is not limited to, not responding fully and truthfully to all inquiries of the United States in connection with the anticompetitive activity being reported because his or her responses may also relate to, or tend to incriminate him or her in, the TFT-LCD Panel investigation. Failure to comply fully with his or her cooperation obligations further includes, but is not limited to, not producing in the United

States all documents, including personal documents and records, and other materials requested by attorneys and agents of the United States in connection with the anticompetitive activity being reported because those documents may also relate to, or tend to incriminate him or her in, the TFT-LCD Panel investigation. The cooperation obligations of Paragraph 4 above do not apply to requests by attorneys and agents of the United States directed at price-fixing, market-allocation, or output-restriction activity in the TFT-LCD Panel industry if such requests are not, in whole or in part, made in connection with the anticompetitive activity being reported. The Antitrust Division may use any documents, statements, or other information provided by Chunghwa or by any of its current or former directors, officers, or employees to the Antitrust Division pursuant to this Agreement against Chunghwa or any of its current or former directors, officers, or employees, directly or indirectly, in any prosecution arising out of the TFT-LCD Panel investigation.

6. **Entire Agreement:** This letter constitutes the entire agreement between the Antitrust Division and Chunghwa, and supersedes all prior understandings, if any, whether oral or written, relating to the subject matter herein.

7. **Authority And Capacity:** The Antitrust Division and Chunghwa represent and warrant each to the other that the signatories to this Agreement on behalf of each party hereto have all the authority and capacity necessary to execute this Agreement and to bind the respective parties hereto.

The signatories below acknowledge acceptance of the foregoing terms and conditions.

Sincerely yours,



Scott D. Hammond
Deputy Assistant Attorney General
Antitrust Division

Date:

8/28/07

Yu Sheng Chen
Chunghwa Picture Tubes, Ltd.

Date:

8/28/07

Gary Spratling
Gary Spratling
Gibson, Dunn & Crutcher LLP
Counsel for Chunghwa Picture Tubes, Ltd.

Date:

8-28-07